

# INFORMATION LETTER

## NATIONAL CANNERS ASSOCIATION

Not for  
Publication

For Members  
Only

No. 850

Washington, D. C.

September 6, 1941

### REVENUE BILL REPORTED TO SENATE

#### Measure Changed as to Corporation Income and Excess Profits Provisions

After several weeks of hearings and consideration, the Senate Finance Committee on September 2, reported to the Senate the proposed Revenue Act of 1941, designed to raise more than \$3,500,000,000 in additional Federal revenue. Consideration of the measure on the floor of the Senate began Wednesday, September 3.

In reporting the bill, the Senate Committee made a number of changes in the bill previously passed by the House. One of the most important of these changes is an amendment which reduces the personal exemptions, afforded to individual taxpayers, for income tax purposes, from \$2,000 to \$1,500 for married persons and from \$800 to \$750 for single persons. It has been estimated that this change will produce additional Federal revenue of more than \$300,000,000 per year.

Of principal interest to canners are several changes the Committee made in corporation income and excess profits taxes. As was indicated in the August 2 INFORMATION LETTER the bill as passed by the House levied new *surtaxes* on corporation income at the rate of five per cent of the first \$25,000 of surtax net income and six per cent of the balance of such income. The Senate Committee has proposed that these new surtaxes be increased from five and six per cent to six and seven per cent. The Senate Committee also proposed that the separate 10 per cent defense tax now applicable be eliminated, and that normal corporation income taxes be increased accordingly. In other words, it suggested that the defense tax merely be incorporated in the normal rates. As a result of this change the normal tax rates on corporations under the Senate bill will range from 15 to 19 per cent for corporations having incomes of less than \$25,000, and will be 24 per cent for corporations having incomes over \$25,000.

The Senate Committee made no change in the increased excess profits tax rates adopted by the House (see August 2 INFORMATION LETTER) nor did it change the provision in the House bill which reduces the excess profits credit under the invested capital method from a flat eight per cent to eight per cent on the first \$5,000,000 of invested capital and only seven per cent on invested capital in excess of that amount. One important change made by the Senate Committee is, however, the elimination from the excess profits law of the special 10 per cent tax adopted by the House upon the portion of excess profits net income which would be taxed under the average earnings method but which is not taxed when the invested capital method of computing the tax is followed. As was explained in the August 2 INFORMATION LETTER, corporations which had low earnings during the base period find it advantageous to compute the tax under the invested capital method. The House bill had proposed that where a corporation used the invested capital

method it be required to pay a tax of 10 per cent on the difference between its average earnings during the base period and the credit which it gets under the invested capital method (eight per cent of invested capital). The Senate Committee has recommended that this special tax be eliminated.

The Senate Committee made no change in the provisions of the House bill to the effect that corporation income taxes may not be deducted in computing excess profits taxes. This provision remains in the bill, as does the provision allowing excess profits taxes to be deducted in computing income for normal corporation income tax purposes.

The Senate Committee also deleted from the bill the tax on soft drinks which had been adopted by the House. As was pointed out in the August 2 INFORMATION LETTER, however, this tax did not apply to canned fruit or vegetable juices. The tax on the use of motor vehicles and boats, imposed by the House bill, was retained by the Senate Committee and the exemption for boats used for trade or for commercial fishing still remains.

### RULING ON WAREHOUSE LABOR

#### Wage-Hour Exemptions Apply to Employees Working in Bonded Field Warehouse

Recently some questions have arisen as to the application of the exemptions under the Wage and Hour Act to employees of a canner working in a bonded field warehouse. The Wage and Hour Division has issued a new statement as to the status of such employees. In substance, this provides that where the canner's warehouse employees handle, label or box canned foods which are either in a bonded warehouse or the title to which has passed from the canner, their exemption status is to be precisely the same as though the formal legal title to the goods was still in the canner. The text of the ruling follows:

"The sections 7(c) and 7(b)(3) exemptions are applicable to employees who work in the plant warehouse of a fresh fruit and vegetable cannery, provided that the only goods stored in the warehouse are those which have been canned in that cannery. Frequently in the case of a bonded warehouse, employees of the cannery, which make use of such bonded warehouse facilities, will label, stamp and box the canned products of their employer in that warehouse. Since employees of the cannery who handle, label, stamp, and box canned goods in a bonded warehouse perform precisely the same operations as those who work in the plant warehouse of a cannery, we believe that they are likewise within the sections 7(c) and 7(b)(3) exemptions. This is true whether or not the bonded warehouse is physically part of the cannery establishment. If more than one cannery makes use of such bonded warehouse facilities, the employees of each cannery who label, stamp and box the canned products of their employer, will be entitled to both exemptions. The

two exemptions must be taken for the employees of any cannery during the same workweeks in which they are taken for the other employees of that particular cannery.

"A consolidation or central warehouse is one which stores and ships fresh fruits or vegetables produced in more than one cannery establishment. Frequently there will be consolidated in a warehouse (whether bonded or not) the canned products of several canneries, which are either under the same or different management, in order to make up a full carlot of goods. The warehouse employees are not within the section (7)(c) exemption but, if the warehouse stores only canned fresh fruits and vegetables and no other products, the employees are entitled to the section 7(b)(3) exemption. The consolidation warehouse, in other words, is part of the cannery industry to which seasonal exemption has been granted. The exemption under section 7(b)(3) may be taken for the warehouse employees only during the same workweeks in which one of the canneries whose products are being worked on, is taking the section 7(b)(3) exemption. In all, however, these warehouse employees are entitled to only 14 weeks of exemption under section 7(b)(3).

"If employees of any particular single cannery, which has goods stored in the consolidation warehouse, perform work in that warehouse upon only the goods of such cannery, as for example, labeling, boxing, and casing, such employees are within the sections 7(c) and 7(b)(3) exemptions just as are employees in a plant warehouse. See Part II 1(e) of the instructions to inspectors in the cannery kit for an explanation of the timing of the exemptions for these employees.

"In some cases, a cannery will store in a consolidation warehouse the products of two canneries and will have his employees label, stamp and box the products of both canneries in that warehouse. Under such circumstances, the section 7(b)(3) exemption alone is applicable to these employees and may be taken for them only during the workweeks in which one of the two canneries, whose products are being worked on, is taking the 7(b)(3) exemption. In all, however, these employees working in the consolidation warehouse, may have only 14 weeks of exemption under section 7(b)(3).

"A sales warehouse, the work of which is not immediately related to the operations of the cannery, is not within either exemption even though it performs work for only one cannery."

#### Cannery Warehouse Exemptions Explained

Coincident with the issuance of this ruling, the Wage and Hour Division issued a press release, explaining the exemptions, a portion of which follows:

Exemption from the overtime provisions of the law for 28 weeks may be claimed for cannery employees who handle, label, stamp and box canned goods in plant, bonded and consolidation warehouses, but the weeks selected by the employer must be the same as those chosen for the other cannery employees, General Philip B. Fleming administrator, said. In addition, these employees must be handling, labeling, stamping and boxing only the canned goods of the one particular cannery by which they are employed.

There are two exemptions from the 40-hour week available to canneries, each for 14 weeks in the aggregate. In one [Section 7(c)] the hours worked are unlimited; in the other [Section 7(b)(3)] overtime begins after 12 hours a day or 56 hours a week.

It is understood that the Division still has under advisement the status of cannery warehouses where occasionally during the packing season goods are brought together, for

shipment, from one or more canneries, either owned by the same company or by another. In the meantime, it is understood that any questions concerning this type of incidental work at a cannery warehouse—as distinguished from that ordinarily performed at a regular consolidation or central warehouse—are to be held for further consideration.

#### FSCC INVITES TOMATO OFFERS

#### Department of Agriculture Requests Canners to Give Information on Prices Paid Growers

The Federal Surplus Commodities Corporation announced September 6 a continuation of the canned tomato buying program initiated when Secretary of Agriculture Wickard made known April 17 that a 50 per cent increase in production was desired in order to produce an extra 15 million cases. The purchases had been suspended temporarily in recent weeks pending more complete information on the progress of the tomato crop and later reports of total estimated production, according to the Department's press release.

Offers will be received on Tuesday of each week and on each succeeding Tuesday until further notice, but not later than December 31, and shall be for any quantity of No. 2, No. 2½, and No. 10 cans meeting the requirements of Grades B or C as defined in "U. S. Standards for Grades of Canned Tomatoes," effective April 1, 1941. Samples drawn for inspection are to be furnished without cost to FSCC and approximately 12 cans per 1,000 cases No. 2 or No. 2½ sizes, and five cans per 1,000 cases No. 10's will be needed for each inspection. Other particulars covering terms of the offers are contained in a mailing to all tomato canners which was to have gone out September 6. At the same time a letter was sent to all tomato canners by E. W. Gaumnitz, assistant administrator of the Surplus Marketing Administration which contained the following paragraphs:

"The program announced April 17 indicated that the Federal Surplus Commodities Corporation would promptly ask canners to submit offers to deliver canned tomatoes after the new pack was completed. The announcement also stated: 'In order to assure the greater supply of tomatoes necessary, the FSCC, in considering bids, will make allowance for increases of from \$2.75 to \$3.00 per ton over 1940 contract prices to growers.'

"We have since accepted offers at canners' own bid prices for nearly 2,680,000 cases at prices sufficiently above the then existing market to permit purchases of raw tomatoes from growers at the increased price.

"Since this purchase announcement, the market for the normal, commercial sales has advanced fully 15 cents per dozen for standard 2's. This increase in selling price is equivalent to a rise in the value of tomatoes for canning of from \$8 to \$10 per ton. Furthermore, this advance is not based wholly on the price of canned tomatoes on April 17, but the level of prices that has prevailed for the last three years. The Department believes that the rise in selling prices is ample to permit canners to pay growers the increased price for tomatoes as well as to cover other possible increases in costs of canning."

This letter also enclosed forms providing for submission of information by canners regarding prices they have paid

to growers of raw tomatoes for the 1940 crop and for the 1941 crop both before the April 17 program was launched and since that time.

Simultaneously, the Agricultural Adjustment Administration is asking county AAA committees in all tomato producing counties to report on prices being paid tomato growers by canners.

### FSCC Asks Canned Boned Chicken Offers

#### Fresh Apples and Dried Prunes Also on USDA Program— Weekly Record of Purchases by SMA

The Federal Surplus Commodities Corporation has announced that it invites offers of canned boned chicken packed in one- or two-pound cans, preferably in carlot quantities. Offers must be in the hands of the Purchasing Agent, FSCC, Department of Agriculture, Washington, D. C. on or before noon of September 10 and acceptance will be wired not later than midnight, September 16. An invitation for dried pears also was announced this week.

Previously the Department of Agriculture had announced a program of purchases of apples and of dried prunes. The apples are to be available for use in the same outlets as are other foodstuffs purchased by the Department—domestic distribution to public aid families and for school lunches, use by the Red Cross for shipment to war refugee areas, and transfer to other countries under terms of the Lend-Lease Act. The prune purchases, to be made in California, are undertaken in conjunction with the operation, under the California Prorate Act, of a program designed to prevent off-grade prunes from entering normal commercial markets and providing for Federal-State inspection.

The following table presents a record of purchases of selected commodities between August 29 and September 5 by the Surplus Marketing Administration through FSCC:

#### TOTAL PURCHASES—SELECTED COMMODITIES

	Aug. 29-Sept. 5	Mar. 15-Sept. 5
Apricots, canned (cases).....	44,610	132,784
Beans, dry (bags).....	8,075	1,802,159
Beans, snap, fresh (bushels).....	77	1,004
Beets, fresh (bushels).....	5,586	68,992
Cabbage, fresh (bushels).....	56	153,080
Carrots, fresh (bushels).....	6,944	64,798
Corn, fresh (bushels).....	7,155	25,834
Fish, canned:		
Futures (cases)*.....	309,500	309,500
Spots (cases)*.....	365,775	584,823
Sardines, futures (cases).....	30,000	235,000
Milk, evaporated (cases).....	230,000	4,937,150
Peaches, canned (cases).....	6,800	6,800
Peaches, fresh (bushels).....	82,149	503,726
Pork, canned (pounds).....	5,540,272	99,509,212
Prunes, canned (cases).....	311,645	601,645
Tomatoes, fresh (bushels).....	13,054	23,338

\*Species not divulged.

### OPM Functions Assigned to Six Divisions

The Office of Production Management will hereafter function through six divisions, Director General William S. Knudsen has announced. These divisions, with their respective directors, are:

Civilian allocations, Leon Henderson; labor, Sidney Hillman; materials, William L. Batt; priorities, Donald M. Nelson; production, W. H. Harrison; purchases, Douglas L. MacKeachie.

### EMPLOYMENT FIGURES BY SEX

#### Report Shows Ratio of Cannery Workers is 54.9 Per Cent Women to 45.1 Per Cent Men

Employment of workers in fruit and vegetable canning and drying plants and in fish manufacturing establishments is on a ratio of 54.9 per cent women and 45.1 per cent men, according to a survey conducted by the Bureau of the Census in 1940, covering factory operations during the calendar year, 1939. These percentages are based on figures representative of the entire industry and, accordingly, the ratio of women employees to men is not so great as would be expected by those familiar with the greater preponderance of female help to be found in tomato, pineapple, sardine and similar canneries.

The ratio for all American manufacturing industries is 75 per cent male and 25 per cent female, and for all food and kindred product manufacturing industries, 73.6 per cent male and 26.4 per cent female.

Statistics of the survey, presented in a report entitled "Persons Employed in Manufacturing Establishments, by Sex," issued by the Department of Commerce, show a grand total of 236,867 persons employed during 1939 in manufacturing plants of the canned and dried fruit and vegetable industries, including canned soups. Of this number, 107,721 were males and 129,146 females. A further breakdown of these totals discloses 1,030 males and 101 females among the salaried officers; 104,095 males and 128,384 females in the manufacturing classification; 1,784 males and 510 females engaged in distribution; 543 males (no females) in construction; and in a classification covering "all others," 269 males and 151 females.

In the canning of fish, crustaceans and mollusks the report disclosed the employment of a grand total of 27,787 of which 11,502 were males and 16,285 females. These totals were broken into the following classifications: Salaried officers—175 male, 15 female; manufacturing—11,023 male, 16,209 female; distribution—131 male, 48 female; construction—97 (all male); all other—76 male, 13 female.

Statistics for the manufacturing classification are further subdivided into salaried persons and wage earners. Canning and drying plants for fruits and vegetables show a total of 3,173 managers of which 2,899 were males and 274 females and a total of 3,258 clerks of which 1,372 were males and 1,886 females in the salaried group, and a total of 226,048 wage earners, of which 99,824 were males and 126,224 females. A similar breakdown of the manufacturing classification of fish canning employees reveals a total of 317 managers, of which 292 were males and 25 females; a total of 321 clerks—139 male and 182 female; and 26,594 total wage earners, of which 10,592 were males and 16,002 females.

In terms of total number of persons employed, food and kindred products factories led all industries with 1,355,157 of whom 982,653 were males and 352,504 were females. Of 10,414,764 persons employed in the country's 185,000 manufacturing establishments in 1939, 7,770,814 were males and 2,643,950 were females.

The figures in the report do not take into account changes resulting from the national defense program, the impact of which had not been felt at the time the field work of the last Census was in progress.

## JUNE SUGAR RECEIPTS

## Increase is 32.7 Per Cent Above Amount Released for Consumption During May

Sugar released for consumption in the United States during June, including quantities released from bonded warehouses, amounted to 32.7 per cent more than sugar receipts during May, according to Department of Commerce figures. June receipts totaled 1,109,432,122 pounds, as compared with 835,861,300 pounds during May.

In the table below are shown imports during June of raw and refined sugar, both dutiable and free, the totals including withdrawals from bonded warehouses within the United States:

Origin	Raw		Refined	
	Dutiable Pounds	Free Pounds	Dutiable Pounds	Free Pounds
Foreign countries:				
Cuba	330,859,748		110,064,117	19,300
Dominican Republic	20,169,600			
Haiti	4,480,000			92,200
Peru	4,979,629			
Netherlands Indies		12,700		
Philippine Islands	435,000	175,014,150	12,018,600	
China		89,900		
Hong Kong		2,500		
Total	361,016,377	175,026,850	122,082,717	111,500
U. S. Territories:				
Puerto Rico		209,731,063		14,015,100
Hawaii		227,448,515		
Total receipts	361,016,377	612,206,428	122,082,717	14,126,600

The following table, also based on Department of Commerce figures, shows imports of sugar by ports of entry. These figures include imports for direct consumption and withdrawals from bonded warehouses:

Port of Entry	Raw		Refined	
	Dutiable Pounds	Free Pounds	Dutiable Pounds	Free Pounds
Massachusetts	36,133,973	12,901,990	1,878,000	
Rhode Island		800		
New York	77,464,404	110,024,084	20,675,000	92,200
Philadelphia	13,357,032		31,493,400	
Maryland	10,400,000	51,397,170	16,780,000	14,300
Virginia	164,884		4,800,692	
Ohio		3,107,600		
North Carolina		7,094,000		
South Carolina		7,600,000		
Georgia	14,372,278			
Florida	330,224		3,402,500	
Mobile			6,857,800	5,000
New Orleans	168,642,633		5,895,125	
Galveston	39,623,549		480,000	
Los Angeles		12,700	3,558,000	
San Francisco		89,900		
Washington	435,000		8,400,000	
Hawaii	1,700			
Total	361,016,377	175,026,850	122,082,717	111,500

## Price Schedules Not Affected by New Set-up

Appointment by the President of the new Supply Priorities and Allocation Board, which ended the division of authority theretofore existing between the Office of Production Management and the Office of Price Administration and Civilian Supply and was reported in last week's INFORMATION LETTER, will not affect the price schedules issued by the former OPACS, according to a statement by Leon Henderson, administrator of the new Office of Price Administration. The executive order, explained Mr. Henderson, merely provides that the title of OPACS shall be changed to OPA, and does not affect in any way the powers of the agency with regard

to price control. "All price ceiling schedules issued and all other action taken by this agency under the prior name remain fully effective under our new name," he stated.

Similarly, activities of the Consumer Division of OPA will not be affected by the transfer of civilian allocation work to OPM, Miss Harriet Elliott continuing as associate director of OPA.

OPA, on September 1, announced that Thomas E. Milliman has been appointed to the Food Section of its Price Division, to work with economists and other technical experts previously appointed. Mr. Milliman is president of the Grange League Federation Exchange, Ithaca, N. Y.

## Indexes of Employment and Prices

Prices of foods in retail stores continued to advance during the month ending July 15, 1941. Retail prices of all foods, taken as a group, increased 0.8 per cent between June 17 and July 15, according to the Bureau of Labor Statistics. Fresh fruit and vegetable prices declined 7.2 per cent during this period while canned foods advanced 1.7 per cent. Compared with prices a year ago, the all foods group is up 9.3 per cent, while for canned foods the increase is 5.2 per cent.

The wholesale price index of all commodities gained 0.6 per cent during the week ending August 30, 1941, and is 12.9 per cent higher than a year ago. The wholesale price of all foods increased 1.2 per cent during the week ending August 30, 1941, and is 16.8 per cent higher than the corresponding week of 1940.

Indexes of employment and payrolls for all industries continued their steady advance from June to July, employment gaining 2.7 per cent while payrolls went up 0.4 per cent. Employment for July, 1941, in the canning and preserving industry, increased 68.9 per cent over June and is 25.7 per cent higher than July of last year; canning payrolls increased 77.4 per cent over June of this year and are higher by 64.9 per cent than July 1940. Detail tables follow:

	Retail Prices			
	July 15, 1941	June 17, 1941	May 13, 1941	July 16, 1940
All foods	106.7	105.9	102.1	97.4
Fresh fruits and vegetables	109.3	116.5	105.8	102.2
Canned fruits and vegetables	97.9	96.2	94.2	92.7
Wholesale Prices				
	Aug. 30, 1941	Aug. 23, 1941	Aug. 16, 1941	Aug. 9, 1941
All commodities	90.6	90.0	89.6	89.6
All foods	88.2	87.0	86.7	86.2
Employment				
	July, 1941	June, 1941	July, 1940	June, 1940
All industries	130.5	127.8	103.2	152.5
Canning and preserving	204.8	135.9	179.1	210.9

## Preference Rating for Production of Trucks

A preference rating of A-3—the same as that assigned for freight cars—has been assigned by the Division of Priorities of the Office of Production Management to deliveries of scarce materials required for the production of heavy motor trucks (three tons or over), medium motor trucks (1½ tons or over), truck trailers (five tons or over), public passenger carriers, and essential replacement parts for all these vehicles. Manufacturers of such trucks must

apply for use of the rating, which can be extended to their suppliers.

No limitation is placed on production of heavy trucks or replacement parts. A producer of medium trucks may use the rating to obtain material for all defense orders and also to fill civilian orders during September 1 to November 30 at the rate of one-half his production during the first half of the year, and continue to produce civilian trucks at his going rate during the first half of 1941. Producers of truck trailers also may use the A-3 rating for all defense work and for continued production of trailers at the going rate for the first half of 1941. No limitation is placed on the production of bodies or cabs for heavy or medium trucks, trailers, or passenger carriers.

### Priority for Research Laboratory Supplies

Equipment needed by research laboratories was granted an A-2 defense priority rating August 30 by order of the Division of Priorities, Office of Production Management. A plan to handle such supplies has been worked out with the assistance of the National Academy of Sciences, which also will advise upon applications from laboratories for assistance under the program.

Laboratories experiencing difficulty obtaining essential materials, and wishing to qualify for the A-2 rating, should apply to the Chemical Branch, OPM, Washington, D. C. No extensions of the rating to suppliers will be made directly by the Priorities Division. This must be done by the laboratories themselves.

### W. J. Phelps, Sr., Dies in Seattle

William J. Phelps, Sr., of Elridge, Md., often called the "dean of the tin can industry," died August 28 in a Seattle, Wash., hospital, after a brief illness. The funeral was held in Baltimore.

Mr. Phelps, who was 77, had been in the can manufacturing business since 1879 and was a veteran member of the Old Guard Society. Born in Camden, N. Y., he had lived in and near Baltimore for 50 years. An inventor as well as president of the Phelps Can Company, he had more than 150 inventions to his credit, the majority of them various can types.

### Death of Dr. William E. Cary

The Association suffered a great loss in the sudden death on August 29 of Dr. William E. Cary, 52, well-known Chicago physician who for a number of years had done work in connection with consumer complaints involving alleged illness, in that territory.

A nationally-known specialist in food poisoning, Dr. Cary was assistant clinical professor of medicine at the University of Chicago, where he had conducted research work since 1927. He had studied at the University under Professor E. O. Jordan. Dr. Cary had been in ill health recently and his death occurred only a few days following his return home from the Mayo Clinic in Rochester, Minn.

### Fruit and Vegetable Market Competition

#### Carlot Shipments as Reported to the Agricultural Marketing Service by Common Carriers

Supplies of green peas on the fresh market for the week ending August 30 were larger than for the corresponding week in 1940, but supplies of snap and lima beans, tomatoes, and spinach were smaller, according to the Agricultural Marketing Service, as evidenced by carlot shipments.

Supplies of citrus fruits also were smaller for the week ending August 30 this year than for the same period last year.

The following table, compiled from statistics of the AMS, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

VEGETABLES	Week ending—					Season total to—
	Aug. 30, 1940	Aug. 30, 1941	Aug. 23, 1941	Aug. 30, 1940	Aug. 30, 1941	
Beans, snap and lima	13	3	4	4,117	3,779	
Tomatoes	322	270	212	17,216	13,641	
Green peas	157	205	177	5,139	4,851	
Spinach	68	44	30	5,780	5,200	
Others:						
Domestic, competing directly	567	610	662	32,922	33,143	
Imports competing indirectly	11	34	16	21	54	
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FRUITS						
Citrus, domestic	2,245	2,073	729	146,260	160,316	
Imports	29	36	7	44	54	
Others, domestic	4,450	3,030	3,851	37,592	34,547	

### Mailing of Pennsylvania License Forms Explained

Although on June 25 an amendment to the Pennsylvania Beverage Law was passed which exempted the license and registration requirements on the sale of "undiluted fruit juice, unsweetened or sweetened, undiluted vegetable juice, unseasoned or seasoned with salt or spices, or any combination of two or more of the foregoing, provided such juice or juices are pasturized or sterilized at the time of preparation and are packed in air-tight sealed non-returnable containers" canners who sell such products in that State are still receiving application forms to fill out for renewal of certificates of registration for tomato juice.

This has been explained to Secretary W. A. Free of the Pennsylvania Canners Association by the State Department of Agriculture in the following manner:

"It is only for the reason that we are uncertain as to whether the juices manufactured by our previous registrants comply in all respects with these limitations that applications are forwarded to them. As a matter of fact we have not withdrawn from our active registration list the names of manufacturers or packers other than those who furnish us with a detailed statement as evidence that their products come within the restrictions set forth in the new Act and until this information is in our possession, we are naturally unable to determine whether their products are exempted from registration."

### Annual National Safety Congress Announced

The 30th National Safety Congress and Exposition will be held at Hotel Stevens, Chicago, October 6 to 10. A special food section meeting is scheduled for the afternoon of the opening day of the sessions.

### Rainfall and Temperature Statistics

The following table, prepared by the Association's Division of Statistics, gives the comparative rainfall and temperature figures of the weeks ending September 3, 1940 and September 2, 1941, for the weather stations located in the principal corn and tomato producing sections:

Stations	Temperature departure from normal		Rainfall	
	1940 Degrees	1941 Degrees	1940 Inches	1941 Inches
Portland, Maine	0	-3	0.44	0.90
Syracuse, New York	+2	+1	0.41	1.07
Oswego, New York	+3	+1	1.33	1.83
Buffalo, New York	+1	-1	0.50	0.32
Erie, Pennsylvania	+2	+2	1.12	0.02
Harrisburg, Pennsylvania	-3	+4	4.05	0.11
Atlantic City, New Jersey	+1	+2	1.42	0.01
Baltimore, Maryland	-2	+3	2.76	T.
Richmond, Virginia	0	+3	1.64	0.29
Lynchburg, Virginia	0	+5	0.64	0.08
Columbus, Ohio	+3	+2	1.45	0.16
Toledo, Ohio	+1	+1	0.22	0.00
Fort Wayne, Indiana	0	+2	0.16	0.13
Indianapolis, Indiana	0	+4	1.10	0.67
Peoria, Illinois	+1	+7	0.20	2.07
Madison, Wisconsin	-2	+3	0.67	0.48
La Crosse, Wisconsin	-3	+4	0.09	0.20
Minneapolis-St. Paul, Minnesota	-4	+3	1.19	0.38
Dubuque, Iowa	-3	+3	0.10	0.41
Davenport, Iowa	0	+4	1.22	T.
Charles City, Iowa	-2	+4	1.11	T.
Des Moines, Iowa	-3	+6	0.02	0.30
Omaha, Nebraska	-3	+4	0.01	0.14
Springfield, Missouri	-1	+5	1.56	1.89
Bentonville, Arkansas	+1	+5	4.10	1.20
Denver, Colorado	+3	+3	0.01	0.18
Salt Lake City, Utah	+6	+3	0.04	T.
Sacramento, California	+1	-4	0.00	T.
Fresno, California	0	-7	0.00	0.00

### Summary Report Covers 76 American Industries

The Federal Trade Commission has issued a summary report of 76 industries drawn from the annual reports of 780 important corporations.

The significant facts regarding their 1939 business conditions and financial results are presented in combined form without disclosing the business facts of any individual corporation.

Exhibits in the report consist of three graphic charts showing the rates of return after interest and income taxes on the stockholders' investment, rates of return before interest and income taxes on the total investment, and the operating ratios by classes of principal costs and expenses along with four tables which present summaries of principal assets and sales, investment and rates of return, dividends paid and surplus accumulation, operating ratios or cents per dollar of sales.

FTC announces that it has a limited supply of copies of the report available to those interested.

### Price Fixing Charged Against Closure Group

The Federal Trade Commission has issued a complaint charging the National Association of Sanitary Milk Bottle Closure Manufacturers, five of its officers and executive committee members, and ten manufacturers of closure milk bottle caps with carrying out combinations and agreements for fixing and maintaining prices, and other practices in restraint of trade.

The complaint alleges that the association members, pursuant to combinations and agreements, have filed with their association their price lists for caps; agreed that they would not deviate from the filed prices until new and different prices were so filed; permitted their association to disseminate such prices to all other members; fixed and maintained uniform discounts and other conditions of sale; and fixed and maintained, with dairies, uniform contract terms providing for the sale of the dairies' actual yearly requirements at prices dependent on the quantity contracted for.

According to the complaint the closure association issues an "Annual Requirement Record" classifying and rating dairies using closure milk bottle caps and that the members have abided by this record in determining the prices at which the caps would be sold to dairies.

### Statistics on Canadian Canned Foods Stocks

Preliminary statistics of the stocks of Canadian canned fruits, vegetables, and miscellaneous products held by canners, wholesale dealers, and chainstore warehouses on July 1, 1941, as compared with the same date in the preceding year, have been issued by the Canadian Bureau of Statistics. The statistics for 1941 are in dozens of cans, while those for 1940 are in cases. Dozen cans may be converted to cases on the basis of six cans to the case for apples and 24 cans to the case for other canned fruits and for vegetables. The following table, reproduced from the August issue of *Canadian Food Packer*, gives the details for products specified:

	July 1, 1941	July 1, 1940	July 1, 1941	July 1, 1940
<b>Fruits, Canned</b>			<b>Vegetables, Canned—Continued</b>	
Doz. cans	Cases	Doz. cans	Cases	
Apples, including crabapples	687,920	477,680	Corn	101,994 453,182
Applesauce	446,393	12,349	Peas	1,212,791 269,660
Apple pie filling	7,851	15,814	Pumpkin	23,323 33,682
Apricots	47,489	8,792	Spinach	134,671 65,343
Blueberries	551	5,069	Tomatoes	972,809 252,963
Cherries	17,795	29,151	All other vegetables	11,699 11,018
Fruit cocktail and fruits for salad	14,782	17,166	Total	4,185,889 1,915,700
Grapefruit	34,402	17,486	Other Products	
Loganberries	13,032	9,027		
Peaches	487,793	204,170	Apple juice	325,488 +37,772
Pears	594,894	72,697	Fruit juices, other	317,338 150,838
Pineapple	302,433	84,275	Infants' foods	476,817 199,119
Plums	152,849	36,007	Jams:	
Raspberries	6,280	3,807	Doz. cans	241,165 +261,884
Rhubarb	4,097	4,025	Pounds	1,507,524 141,812
Strawberries	125,710	26,764	Jellies:	
Other small fruits	7,367	2,616	Doz. cans	25,235 +20,320
All other fruits	2,907	2,869	Pounds	89,593 6,603
Total	3,044,545	1,020,854	Marmalades:	
			Doz. cans	88,373 +89,522
			Pounds	86,374 26,736
Asparagus	353,621	168,578	Sauerkraut	45,080 17,083
Beans, green or wax	134,234	78,397	Soups, all kinds	1,924,712 840,365
Beans, baked, etc.	1,109,939	529,764	Tomato juice	304,091 192,038
Beets	26,283	12,028	Tomato paste and puree	82,865 36,465
Carrots	73,155	12,720	Tomato pulp:	
Carrots and peas	16,426	17,850	Doz. cans	200,517 +53,662
Carrots, peas and beans (Mace- doine)	14,744	10,515	Barrels	545
			Tomato catsup	267,425 611,976
			Sauces	44,468 34,603

\* Plus 4,838 gallons.

† Some firms reported their stocks in pounds instead of cases or dozen cans.

‡ Cases.

### Alaska Salmon Pack Report

The following figures on the Alaska salmon pack, as reported by the U. S. Fish and Wildlife Service, show the pack by districts and species through August 30, 1941, except where noted:

DISTRICT	Coho Cases	Chum Cases	Pink Cases	King Cases	Red Cases	Total Cases
Bristol Bay*	1,827	49,232	.....	2,822	569,867	623,748
Alaska Peninsula:						
North side*	.....	4,636	83	176	35,950	40,854
South side*	17,298	163,058	230,541	3,008	97,695	511,600
Chignik*	1,842	15,036	15,635	206	54,951	87,760
Kodiak*	10,341	55,599	521,463	570	97,192	685,167
Cook Inlet*	30,586	23,044	35,048	27,319	90,368	207,265
Resurrection Bay*	334	.....	1,083	.....	1,015	2,432
Prince Wm. Sound*	4,139	71,795	212,894	96	5,503	294,427
Copper River:						
Summer pack*	.....	.....	4,282	34,368	38,650	
Fall pack*	17,063	.....	.....	358	17,421	
Yakutat*	1,321	305	4,401	790	18,488	25,314
Icy Strait*	8,702	17,171	212,175	232	8,922	247,202
Western*	17,936	53,731	562,278	306	16,638	650,880
Eastern*	8,693	63,376	585,160	112	9,021	666,302
Wrangell	27,030	32,991	626,159	10	28,495	714,685
South Prince of Wales Island*	27,120	31,801	418,499	36	10,943	488,489
Southern	34,481	68,412	1,001,429	100	42,625	1,147,047
Totals.....	208,713	651,177	4,426,850	40,164	1,122,408	6,449,312

\* Final.

Through August 23, 1941.

### FTC Issues Order Against R. C. Williams

R. C. Williams & Company, New York City, engaged in importing and exporting food products, has been ordered by the Federal Trade Commission to cease and desist from violation of the brokerage provision of the Robinson-Patman Act.

The Commission finds that the respondent purchases a substantial portion of its requirements from sellers located in other States than that in which it is located and that, in connection with the purchase of these requirements in interstate commerce, the respondent has received and accepted allowances and discounts in lieu of brokerage in substantial amounts.

### Blue Stamp Foods Designated for September

Foods which will be nationally available during September for purchase with blue stamps have been announced by the Department of Agriculture as follows:

Fresh pears, plums, prunes, apples, oranges, and peaches, fresh vegetables (including potatoes), corn meal, shell eggs, raisins, dried prunes, hominy (corn) grits, dry edible beans, wheat flour, enriched wheat flour, self-rising flour, enriched self-rising flour, and whole wheat (Graham) flour. This is the same list of foods that was available during August.

### Invitation to Bid on Canned Lima Beans

An invitation to bid on 1,150 dozen No. 10 cans of lima beans has been issued by the Veterans Administration, Arlington Bldg., Washington, D. C. Bids will be opened September 18 and delivery is to be made at the San Francisco depot.

### CARLOADING FOR DEFENSE

#### Railroad Association Leaflet Tells How to Obtain Maximum Service Out of Freight Cars

America's defense program will be advanced, and a continuation of satisfactory car supply and efficient railroad service will be insured, if shippers, consignees and all others concerned with the movement of goods, will cooperate with the railroads, and with each other, in obtaining the maximum of service out of every freight car, according to a leaflet entitled "Load 'em Up," just issued by the Association of American Railroads. The following paragraphs reproduce some of the pertinent advice the leaflet offers to shippers and consignees:

Forty thousand freight cars would be added to the available supply if every car of this year's carload traffic carried one more ton.

Wherever practicable, load to the full load limit stencilled on the car, or to its full cubic capacity.

Don't stop at just one more ton. Car-load traffic averaged 37.7 tons per car in 1940 as compared with an average car capacity of 50 tons. So the opportunity for heavier loading is obvious.

Heavier loading means a saving to shippers in many cases. It takes less time and costs less money to load three cars than to load four cars.

Sidings, loading platforms, team tracks, floor space and manpower are employed more efficiently. Car linings, packing, blocking and bracing go farther. Accounting, billing and records are reduced.

Under like conditions a locomotive can pull 50 tons in one car with 40 per cent less tractive effort than 50 tons divided between two cars.

Thus heavier loading increases not only the car supply, but also the locomotive supply, and adds up to a tremendous saving in fuel.

This means just that much more coal and fuel oil will be available for moving your goods, and for other defense purposes.

One hundred thousand freight cars will be added to the supply available to you, and to other shippers and receivers, if one day is saved in the average "turn around" time.

Cooperate by loading and unloading your cars the same day they are received. Avoid holding over Sundays and holidays.

Do not, under any circumstances, permit cars to be used for storage. Railroad cars are designed to move things . . . not to store things in, and nothing will be more damaging to National Defense than a failure to use railroads . . . as railroads.

### Firms Admitted to Membership in Association

The following firms have been admitted to membership in the Association since July 12, 1941:

Cape Cross Salmon Co., Seattle, Wash.

Hain Pure Food Co., Los Angeles, Calif.

Northeastern Packing Co., Calais, Maine

Orcas Packing Co., Seattle, Wash.

Ray Canning Co., Freewater, Oregon

Salt Sea Fisheries, Tenakee Springs, Alaska

Southern California Citrus Foods, Redlands, Calif.

Wegner Food Corporation, Williamson, N. Y.

### Canned Foods Under Export Control

Canned vegetables, fruits, juices, meats and fish are now under export control, having been included among the 421 categories of commodities included in Export Control Schedule No. 19, which became effective August 27 and was published in the *Federal Register* of August 29. These commodities, except for oil, gasoline and a few other strategic war materials, are not embargoed, according to officials of the Administration of Export Control, but may not be shipped abroad except when export licenses have been granted. Authority to make such grants is vested in the President under the National Defense Act.

### Cease and Desist Order Issued by FTC

A cease and desist order has been issued by the Federal Trade Commission against the Reed-Harlin Grocer Co., West Plains, Mo., the West Plains Brokerage Co., and six firms that sold merchandise to the grocer concern through the brokerage firm. Robinson-Patman brokerage provisions had been violated through the fact that individuals owning stock in the brokerage company also acted as operators of the grocery firm, receiving allowances and discounts in lieu of brokerage from the six trading companies. The cease and desist order applies to both the payment and receipt of such fees.

### Plans for Food Production in 1942

Four regional agricultural conferences are scheduled for September at which plans will be drafted to assure production of sufficient food in 1942 both for the United States and the countries resisting aggression, according to the Office of Agricultural Defense Relations of the Department of Agriculture.

Representatives of the Department, the State Agricultural Planning Committees, chairmen and members of the State USDA Defense Boards, representatives of farm organizations, and others will participate in the series of conferences scheduled for Salt Lake City, September 15 and 16; Chicago, September 18 and 19; New York City, September 24 and 25; and Memphis, September 29 and 30.

### Peach Culture in Michigan

Details relating to the successful production of peaches in Michigan are contained in a new publication, Circular Bulletin 177, entitled "Peach Culture in Michigan," just issued by the Michigan Agricultural Experiment Station at East Lansing. Suitable varieties are described and factors

to be considered in selecting a location are discussed. Orchard practices, including proper pruning and thinning, are recommended, and controlling methods for diseases and insects given. The Raw Products Bureau has obtained a few copies of this publication for distribution to members upon request directed to the Bureau.

### Home Economics Issues New Literature

"Manual for Teaching Canned Foods" together with a student-consumer pamphlet, entitled, "Know Your Canned Foods", has been prepared by the Association's Home Economics Division for distribution to the schools. These two books have been advertised in full pages of the September numbers of "What's New in Home Economics" and "Forecast", with copy directed to home economics teachers.

The manual and leaflet will be sent to the industry in the near future. Additional copies will be available on application to the Home Economics Division.

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